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CC:NI

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

13 JUL 1973

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MEMORANDUM FOR THE DIRECTOR, NATIONAL SECURITY AGENCY

SUBJECT: Intelligence Manpower Planning (U)

(U) I am deeply concerned about the outyear efforts in intelligence manpower which will likely be caused by inflation and new initiatives on the one hand, and a congressionally imposed fixed ceiling on the other.

(U) The CCP and the GDIP, in order to absorb the effects of increased costs and necessary new starts, must compensate for these expenses through carefully planned and implemented manpower reductions.

(S) My analysis of the situation suggests that these will not be small reductions. By FY 78, I expect the end strength of the CCP can be no greater than 51110, which means that the CCP must absorb a 12,999 space reduction between now and that time. These reductions are predicted upon the following assumptions:

1. fixed program ceiling
2. continued salary increases
3. modest increases in non-manpower expenditures (but insufficient to maintain pace with inflation).

(S) We need to address this major problem now. Toward that end, I would like you to develop specific plans for reducing the CCP to a 51110 FY 78 end strength. I would like your plans to address year by year manpower proposals through the following means:

1. Management Efficiencies. These would include reorganizations, consolidations, program restructure actions, elimination of non-essential support personnel and other actions which do not materially degrade intelligence operations. Personnel reductions accrued through management efficiencies would have minimum impact on the intelligence consumer.

Classified by ASD/I
EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF
EXECUTIVE ORDER 11652. EXEMPTION CATEGORY 2.
DECLASSIFY ON Impossible to Determine.

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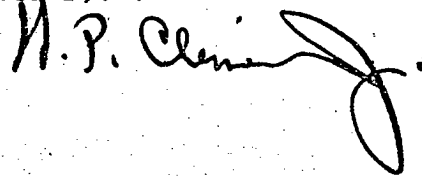
2. Technological Efficiencies. These would include the replacement of manpower by labor savings equipment or techniques. Technical efficiencies enable current effectiveness to be maintained (or enhanced), while manpower reductions continue.

3. Mission Reductions. Manpower reductions in this category of necessity require concomitant mission reductions and have a variable impact (depending upon the severity of the reduction) on the intelligence customer. The goal is, of course, to minimize the required reductions in this area.

(U) Because the requirements of the intelligence community are dynamic, it is probable that new resource needs with manpower implications will emerge in the midst of these reduction efforts. To the extent that these are justified by the priority of the requirement they address, such needs must also be provided for and identified.

(U) I would like your plans to be as detailed as they possibly can in addressing these three reduction methods, and in anticipating new requirements. With respect to the mission reduction area, the plan should include your specific proposed mission reductions, and the substantive information impact caused by those reductions.

(U) Please provide this plan by 31 October 1973.



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